

The Legislative Fiscal Division

Presents:

Profile of...

Governor's Office

State of Montana



Agency Profile

Oct. 2008

This agency profile will discuss...

- structure and funding
- primary functions and
- historical expenditures

The profile also includes information on how decisionmakers can effect change in the agency's expenditures along with a listing of pertinent statistics. For an explanation of terms used in this profile, consult the "Background on the Agency Profiles" at: <http://leg.mt.gov/css/fiscal/default.asp>

General Fund Statewide Comparison FY 2008 (In Millions)



Let's begin by putting the agency's size in perspective by comparing it to state government as a whole.

Total Funds Statewide Comparison FY 2008 (In Millions)



Primary Contact: Matt Stayner
Room 110A, State Capitol
Helena, MT 59620-1711

Section A
General Government



What the Agency Does



The Governor's Office oversees the activities of the executive branch of Montana state government, consistent with statutory and constitutional mandates, in a manner that provides necessary and affordable services to the citizens of Montana. The Governor's Office has nine programs: the Executive Office Program, which contains the Office of Economic Development; Mansion Maintenance; Air Transportation; Office of Budget and Planning; Coordinator of Indian Affairs; Citizen's Advocate Office; Lieutenant Governor's Office; the Mental Disabilities Board of Visitors; and Centralized Services.

How Services Are Provided

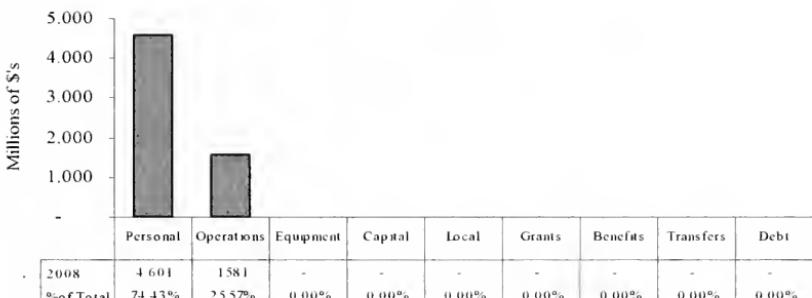


The Governor's Office provides these services through a structure consisting of nine divisions and a total of 60.07 FTE performing the following functions:

- Executive Office Program oversees the activities of the executive branch and provides administrative, legal, and press support with a staff of 21.63 FTE. The Office of Economic Development is part of the Executive Office Program with a budget of \$2.2 million in general fund over the 2009 biennium
- Residence Operations Program maintains the Governor's official residence with 1.50 FTE and an annual budget of \$125,000 of general fund.
- Air Transportation Program maintains one 1979 Beachcraft aircraft. There are 1.5 FTE assigned to the program, a full-time pilot and a part-time copilot.
- The Office of Budget and Planning, with a staff of 19.00 FTE, assists the Governor in planning, preparing, and administrating the state budget; develops and evaluates alternative program plans for providing state government services; and acts as the lead executive branch agency for compliance with the federal Single Audit Act.
- Office Indian Affairs is the liaison with the state's Indian tribes. The office has 2.00 FTE. During FY 2008, the office had significant retirements costs which increased the personal services costs to the program.
- Centralized Services Division provides business services to the programs within the Governor's Office. The program has 4.0 FTE providing these services.

- Lieutenant Governor performs duties prescribed by law and those delegated by the Governor. This office has 3.94 FTE.
- The Citizens' Advocate Office provides information to citizens allowing them to gain accessibility to state government.
- Mental Disabilities Board protects the rights of the mentally ill and developmentally disabled. There are about 400 calls per year received by this board. The board reviews patient care in community mental health centers and facilities throughout the state. This program has 5.00 FTE with 2.00 FTE (1 attorney and 1 paralegal) at Warm Springs. The legal staff is attached to this office to assure that there is a separation from the hospital so that they can represent the interests of the patients. Most patients in this hospital have been "committed" to it by a judge because of some mental illness. The Mental Health Ombudsman is statutorily directed to represent the interests of individuals with regard to need for public mental health services. The office functions with 1.5 FTE.

**Governor's Office
All Funds FY 2008**

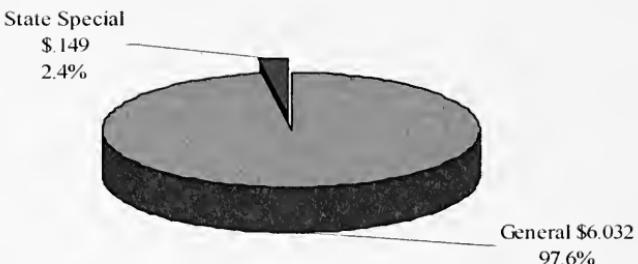


How Services Are Funded

More than 97 percent of the budget for the Governor's Office was funded with general fund in FY 2008. Personal services account for \$4.5 million of general fund, \$134,815 of state special revenue.

Operating Expenses account for \$1.58 million of the expenditures for the Governor's Office. Of this amount, less than \$15,000 is state special revenue.

**Governor's Office Funding by Source
FY 2008 (In Millions)**



Related Data & Statistics

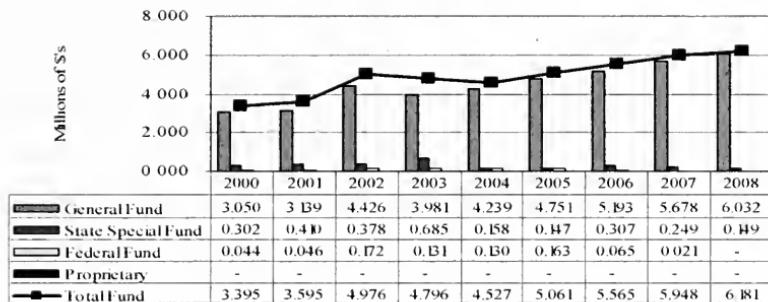
The following lists several pertinent statistics related to agency functions and/or customers.

Element	1996	2008	Significance of Data
The executive branch helps the Governor and Lieutenant Governor carry out the statutorily defined duties of their offices. In 1976 there were 103.00 FTE	52.25 FTE	60.07 FTE	Workload and costs vary with each administration



Expenditure History

Governor's Office Funding History



Reasons for Expenditure Growth/Change

- General Fund – the average growth rate for general fund expenditures was 8.9 percent for the period of 2000 through 2008. Expenditures between 2001 and 2002 increased by 35.6 percent due to the governor's implementation of the Office of Economic Development as per SB 445, and the Extradition and Transportation of Prisoners Program, which was transferred from the Department of Justice as per SB 328. There was also significant funding provided to an Energy Cost Contingency account under the purview of the Office of Budget and Program Planning. In FY 2006 expenditures increased due to the addition of a Board of Education staff position and funding of the Marketing Montana and Business Recruitment Program. Expenditure growth from FY 2006 through 2008 is due to present law increases for personal services and the addition of 1.0 FTE in the newly created Central Services Division.
- State Special Fund – the average growth rate of expenditures funded by state special funds decreased by 8.5 percent for the period of FY 2000 through 2008. Decreasing expenditures funded by state special funds from FY 2006 through 2008 are primarily due to reduced expenses from the personal services contingency fund, reductions in funds available from other agency use of the Governor's plane, the moving of State-Tribal economic development funding to the Department of Commerce, and the elimination of the Highways special revenue fund for HB 769 (Rail Service Competition Council).
- Federal Fund – Federal funds have historically not provided significant funding to the agency and are no longer used as of FY 2008.

Agency Functions, State Purposes, & Customers Served

The agency is structured to perform certain functions in support of general state government purposes. The following lists the major functions, purpose of provision of the functions, and primary customers served.

<i>Policy Objectives</i>	<i>Major Agency Functions</i>	<i>Customers</i>
<i>Infrastructure— Governmental and Physical</i>	Administration	All agency functions
	Residence Operations	Governor
	Air Transportation	Governor and other state employees when available
	Budget and Program Planning	All state agencies and branches of government
	Indian Affairs	Indian population in Montana
	Lieutenant Governor	Citizens of Montana
	Citizens' Advocate	Citizens of Montana
	Mental Disabilities—Board of Visitors'	Mentally disabled population
<i>Economic/Business Development</i>	Economic Development	Citizens of Montana

How the Legislature Can Effect Change



The Governor's Office addresses its mandated duties with elected officials and state employed FTE. Activity for this agency depends upon changing state government as it responds to elections and demands of citizens.

In order to change expenditure levels and/or activity, the legislature might address laws:

- Governing how the Governor's Office conducts business and responds to citizens
- Governing existence and maintenance of the Governor's mansion and aircraft
- Governing the Office of Budget and Program Planning

- Impacting policy on the Offices of Indian Affairs, Citizens Advocate, and Mental Disabilities Board of Visitors

The legislature is less likely to control:

- Federal legislation impacting the Governor's Office and related activities
- Telephone or web-based inquiries from citizens
- Initiatives or legislation responding to citizen action
- Lawsuits filed against the state
- Emergencies such as wildfires, floods, etc., creating the need for additional resources

Statewide Factors With Impact

In addition to the factors above, a number of factors common to many agencies will also impact changes in expenditures over time.

The Governor's Office comprises people providing service for Montanans. Personal service costs are the primary influence that drives expenditures. These factors include the state pay plan and benefits, workers' compensation, and unemployment insurance.

Other factors driving expenses include utilities and changes in statewide fixed costs such as inflation/deflation and the cost to maintain buildings and technology.



Statutory References

The primary statutory references defining duties and responsibilities of the department are found at the following locations.

Article VI, Montana Constitution primarily governs the Governor's Office, and Article VI, Section 4 covers the Lieutenant Governor's Office

Title 17, Chapter 7, MCA governs the Office of Budget and Program Planning

2-15-217 and 90-11-101, MCA governs the Coordinator of Indian Affairs

The Mental Disabilities Board of Visitors is mandated under the state Developmental Disabilities Act and the Mental Commitment and Treatment Act of 1975, 2-15-210, MCA, and 53-20-104, MCA.

Alternative accessible formats of this document will be provided upon request. For further information, call the Legislative Fiscal Division @ 444-2986 or visit our web site @ <http://www.leg.mt.gov/css/fiscal>



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